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CENTRAL INTELLIGENCE AGENCY

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UNEVALUATED INFORMATION 50X1-HUM

1. The Hungarian engineering industry, in effect only ± 50 years old, has become very large and very good - for the size of the country. Many of the products were made in quantities greater than needed for the domestic economy, and have been largely exported. The tendency has been one of specialization in narrow product categories, rather than attempting to cover all phases of manufacturing. Before the war, Tungsram had become the third largest factory organization in its field of lamps, tubes and related products; first was Philips; second, Osram - this applied to Europe, including the UK; Tungsram was larger than the entire French industry. About ninety percent of the Tungsram output was for export.

2. Prewar and Postwar Data:

In 1939, employees at the Tungsram/Orion plant complex at Vasi ut 77, Ujpest (not including the other separate Hungarian subsidiaries) totalled about 6500, including 100 professional, technical and labor personnel in the Tungsram Labs. The Tungsram Labs were about twice the size of all the other Hungarian physics lab facilities together. Some small expansion in operations occurred during World War II, reaching a peak in 1943. At that time, tube production (and capacity) was about 3.2 million tubes a year of all types; lamp production capacity was between 30 and 40 million a year, of all types. Tube production included 2.3 million receiving type tubes, plus small transmitting and special-purpose tubes; Tungsram never made large transmitting tubes. 50X1-HUM

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4. [redacted]

5. Tungsram was nationalized first in April 1948, then quickly returned to private ownership; this latter action, actually a fake, apparently was done because of probable difficulties in clarifying Tungsram ownership of some of the foreign subsidiaries [redacted]

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[redacted]

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16. Present data on Hungarian Facilities:

Orion was nationalized separately from Tungsram. These are now two separate nationalized enterprises, at Vasi-ut, Ujpest; Tungsram sells tubes, etc. to Orion. The three other Hungarian subsidiaries, at other locations, were nationalized separately and are believed to be now operating in the same fields as previously, but are independent Nationalized Enterprises. These are Remix in Budapest, Tokod Glassworks at Tekod, and Agrolux in Budapest. 50X1-HUM

17. Tungsram output, 50X1-HUM the plant is working at full capacity. Shrinkage is believed to be higher than before, primarily due to bad materials, carelessness and overwork - not to sabotage or lack of skill. there is some reduction in th 50X1-HUM organization's competence as a result of lack of competition and of communist economic policies. After World War II, Tungsram was re-equipped, using a few machines which were bought back from the lot confiscated by the USSR, a few old machines which were hidden, and mostly comprising new equipment built by Tungsram. Tungsram builds all of its special manufacturing machinery; the automatic exhaust units are similar to units found currently in most US plants. There is no limit to the quantity or type of special tube and lamp machinery which Tungsram can make. In 1947, Tungsram had nine automatic exhaust units for lamps and 2 or 3 for tubes. The present head of Tungsram is Beer, a communist of many years; Beer is not familiar with tube and lamp manufacturing. Leopold Ascher, who returned several years ago and sold the control to the State, is still there, presumably with the title of Vice President 50X1-HUM little influence. 50X1-HUM

18. Tungsram contemplated projects on klystrons and magnetrons, the company is capable of doing work in this field. Tungsram did produce high-frequency triodes for pulse operation in radar during World War II - 150 MC rating. In miniature tubes, Tungsram started before the US and produced miniatures in quantity for the Hungarian Military during World War II; commercial applications were initiated after the war. The Tungsram low drain battery tubes were (and still are) made with cataphoretically-coated tungsten filaments; were good for strength, but had no unusual construction 50X1-HUM features for extreme ruggedness.

19. Orion is equipped and staffed to produce engineering products (such as transmitters, instruments, radar) in addition to commercial radio receivers. Orion produced, after World War II, diathermy units and electronic instruments, such as oscilloscopes, signal generators, etc. During World War II, Tungsram/Orion did the research and development work for Hungarian military radar, which was produced by Standard; these used pulsed triodes, operated at 150 MC.

20. Other Hungarian tube and lamp plants:

There were a number of very small lamp plants, the total output of which was far less than Tungsram. 50X1-HUM